Moore & Van Allen

September 24, 2012

VIA ELECTRONIC FILING

Ms. Jocelyn G. Boyd Chief Clerk and Administrator The Public Service Commission of South Carolina Synergy Business Park 101 Executive Center Drive Columbia, South Carolina 29210

Re: Piedmont Natural Gas Company, Inc., Docket No. 2012-7-G

Revised Settlement Rates

Dear Ms. Boyd:

On September 14, 2012, Piedmont Natural Gas Company, Inc. ("Piedmont") filed its comments on the Office of Regulatory Staff's ("ORS") annual Rate Stabilization Report for Piedmont. Attached to those comments were proposed revised rates reflecting the previously filed settlement reached between Piedmont and ORS in this docket.

Last week, Dr. Spearman made Piedmont aware of an error in Piedmont's proposed rate filing. This error was the absence of stated Summer and Winter Gasoline Gallon Equivalent ("GGE") rates for vehicular natural gas service provided under Piedmont's Rate Schedule No. 242. The purpose of this letter is to correct that error. Accordingly, please accept the attached proposed settlement rates – restated to include GGE rates under Rate Schedule No. 242 – in lieu of our previously filed rates.

We appreciate Dr. Spearman's diligence in discovering this oversight and your assistance in helping us to correct this error.

If you have any questions regarding this matter, you may reach me at the number shown above.

Sincerely,

Moore & Van Allen, PLLC

s/ Scott M. Tyler Scott M. Tyler

Enclosure

c: Office of Regulatory Staff Mr. David Carpenter Ms. Pia Powers Scott M. Tyler Attorney at Law

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Moore & Van Allen PLLC

Suite 4700 100 North Tryon Street Charlotte, NC 28202-4003

Also Admitted in SC

EXHIBIT A

Piedmont Natural Gas Company, Inc. Quarterly Rate Stabilization Filing - Settlement Rates 12-Months Ending March 31, 2012

PROPOSED REVENUE CALCULATIONS

(dekatherms) Rate Schedule	Test Period Actual (1)	Normalized Adjustment (2)	Proforma Dekatherms (3)	Proforma Bills (4)	Proposed Margin Rate (5)		Proposed Demand Rate (6)	Proposed Commodity Rate (7)	Total Proposed Rates (8)	Total Proforma Revenue (9)
Residential Service - Value						40.00				#4 040 E40
Bills - Winter	184,954			184,954		10.00			\$ 10.00 \$ 8.00	\$1,849,540
Bills - Summer	268,802	005 004	4 0 45 005	268,802		8.00	\$0.4885	\$2.7987	\$ 8.00	\$2,150,416 \$13,768,692
DTs - Winter DTs - Summer	1,710,311 750,641	235,024 92,469	1,945,335 843,110			\$3.7906 \$3.3499	\$0.4885	\$2.7987	\$6.6371	\$5,595,805
Residential Service - Stand	ard 221									
Bills - Winter	410.618			410,618	\$	10.00			\$ 10.00	\$4,106,180
Bills - Summer	550,851			550,851	\$	8.00			\$ 8.00	\$4,406,808
DTs - Winter	2,768,079	434,255	3,202,334		;	\$3.7906	\$2.1658	\$2.7987	\$8.7551	\$28,036,754
DTs - Summer	729,531	161,563	891,094		;	\$3.3499	\$2.5802	\$2.7987	\$8.7288	\$7,778,181
TO	OTAL RESIDENTIAL									
Bills	1,415,225			1,415,225						
DTs	5,958,562	923,311	6,881,873							
										\$67,692,376
Small General Service - Sta	indard 202									
Bills	117,960			117,960		22.00			\$ 22.00	\$2,595,120
DTs - Winter	1,238,479	216,046	1,454,525			\$3.0916	\$2.0066	\$2.7987	\$7.8969	\$11,486,238
DTs - Summer	288,412	65,451	353,863			\$2.9811	\$1.8004	\$2.7987	\$7.5802	\$2,682,352
Small General Service - Val				47.009	•	22.00			\$ 22.00	\$1,034,198
Bills	47,009			47,009	Ð	22.00			φ 22.00	\$1,034,190
First 200	958,129	57,558	1,015,687		;	\$3.0916	\$1.4938	\$2.7987	\$7.3841	\$7,499,934
Over 200	202,267	12,150	214,417			\$3.0916	\$1.2429	\$2.7987	\$7.1332	\$1,529,479
DTs - Winter	1,160,396	69,708	1,230,104							
First 200	1,055,161	16,734	1,071,895			\$2.9811	\$0.7800	\$2.7987	\$6.5598	\$7,031,417
Over 200	<u>131,804</u>	<u>2,090</u>	<u>133,894</u>			\$2.9811	\$0.5498	\$2.7987	\$6.3296	\$847,495
DTs - Summer	1,186,965	18,824	1,205,789							
Medium General Service - S						75.00			m 75.00	#40.7E0
Bills	170	44.000	70.500	170	-	75.00	\$1,6410	\$2,7987	\$ 75.00 \$7.5313	\$12,750 \$553,746
DTs - Winter	61,896	11,630	73,526			\$3.0916 \$2.9811	\$1.3831	\$2.7987	\$7.3313 \$7.1629	\$111,534
DTs - Summer	12,202	3,369	15,571			\$ 2.9011	J1.3031	ΦZ.1901	\$7,1025	Ψ111,554
Medium General Service - \				869	\$	75.00			\$ 75.00	\$65,175
Bills	869 169.083	8.869	177,952	909		\$3,0916	\$1.0564	\$2,7987	\$6.9467	\$1,236,179
First 500	190,340	9,984	200,324			\$3.0916	\$0.7683	\$2,7987	\$6.6586	\$1,333,877
<u>Over 500</u> DTs - Winter	190,340 359,423	9,984 18,853	200,324 378,276			ψJ.UJ 10	ψυ, 1003	Ψ2.1301	\$ 0,0000	Ψ1,000,071
		2,962	221,521			\$2.9811	\$0,3700	\$2.7987	\$6.1498	\$1,362,310
First 500 Over 500	218,559 173,889	2,962 2,35 <u>6</u>	221,521 176,245			\$2.9811	\$0.1603	\$2.7987	\$5.9401	\$1,046,913
DTs - Summer	392,448	<u>2,330</u> 5.318	397,766				40000	12101		* :/= :=/*
D 15 - Sulline	332,440	0,010	007,700							

Piedmont Natural Gas Company, Inc. Quarterly Rate Stabilization Filing - Settlement Rates 12-Months Ending March 31, 2012

PROPOSED REVENUE CALCULATIONS

(dekatherms) Rate Schedule	Test Period Actual (1)	Normalized Adjustment (2)	Proforma Dekatherms (3)	Proforma Bills (4)	Proposed Margin Rate (5)	Proposed Demand Rate (6)	Proposed Commodity Rate (7)	Total Proposed Rates (8)	Total Proforma Revenue (9)
Small General Service - Motor Bills	Fuel 242			12	\$ 22.00			\$ 22.00	\$264
DTs - Winter DTs - Summer Winter Rate per GGE * Summer Rate per GGE *	109 49		109 49	12	\$2.5000 \$2.5000	\$1.6462 \$2.2441	\$2.7987 \$2.7987	\$6,9449 \$7,5428 \$0,87506 \$0,95039	\$757 \$370
<u>101</u>	AL COMMERCIAL								
Bills DTs	166,020 4,700,379	409,199	5,109,578	166,020					\$40,430,108
									V10,100,100
Large General Service - Sales				100	\$ 250.00			\$ 250.00	\$25,000
Bills Demand DTs	100 15,446	0		15,446	\$5.0000	\$12.9812	\$0.0000	\$17.9812	\$277,738
First 1,500	63.000	0	63,000		\$1,8569	\$0.8449	\$2,7987	\$5.5005	\$346,532
Next 1,500	40,495	Ö	40,495		\$1,2998	\$0.6864	\$2.7987	\$4.7849	\$193,765
Next 7,500	12,208	Ō	12,208		\$0.9285	\$0.7028	\$2.7987	\$4.4300	\$54,081
Next 16,500	0	Ō	0		\$0.5571	\$0.2818	\$2.7987	\$3.6376	\$0
Next 33,000	0	0	0		\$0.1857	\$0.1000	\$2.7987	\$3.0844	\$0
Over 60,000	0	<u>0</u>	<u>0</u>		\$0.0000	\$0.0000	\$2.7987	\$2.7987	\$0
DTs - Winter	115,703	ō	115,703						
First 1.500	82.302	0	82,302		\$1.1141	\$0.6565	\$2.7987	\$4.5693	\$376,063
Next 1,500	46,642	0	46,642		\$0.7428	\$0.5328	\$2.7987	\$4.0743	\$190,034
Next 7,500	9,670	0	9,670		\$0.5571	\$0.7709	\$2.7987	\$4.1267	\$39,905
Next 16,500	0	0	0		\$0.3714	\$0.2818	\$2.7987	\$3,4519	\$0
Next 33,000	0	0	0		\$0.1857	\$0.0500	\$2.7987	\$3.0344	\$0
Over 60,000	<u>0</u>	<u>0</u>	<u>0</u>		\$0.0000	\$0.0000	\$2.7987	\$2.7987	\$0
DTs - Summer	138,614	0	138,614						
Large General Service - Trans				440				\$ 250.00	\$110.000
Bills	440			440 89,573	\$ 250.00 \$5.0000	\$0.9651	\$0.0000	\$5.9651	\$534,312
Demand DTs	89,573			89,573	\$0.0000	\$12.0161	\$0.0000	\$12.0161	\$0
Standby DTs	257,326	0	257,326	U	\$1.8569	\$0.5475	\$0.0000	\$2.4531	\$631,246
First 1,500 Next 1,500	257,326 177,182	0	257,326 177,182		\$1,0009	\$0.4363	\$0.0487	\$1.7848	\$316,234
Next 1,500 Next 7,500	157,182	0	157,123		\$0.9285	\$0.3429	\$0.0487	\$1.3201	\$207,418
Next 7,500 Next 16,500	54,172	0	54,172		\$0.5571	\$0.2812	\$0.0487	\$0.8870	\$48,051
Next 33,000	04,172	0	07,172		\$0.1857	\$0.1025	\$0.0487	\$0.3369	\$0
Over 60,000	Ö	<u>0</u>	ō		\$0.0000	\$0.0000	\$0.0487	\$0.0487	\$0
DTs - Winter	645,803	0	645,803		*************	*******	*****		
First 1,500	340,137	0	340,137		\$1.1141	\$0.5794	\$0.0487	\$1.7422	\$592,587
Next 1,500	202,370	0	202,370		\$0.7428	\$0.4665	\$0.0487	\$1.2580	\$254,581
Next 7,500	146,615	0	146,615		\$0.5571	\$0.3953	\$0.0487	\$1.0011	\$146,776
Next 16,500	81,502	0	81,502		\$0.3714	\$0.2490	\$0.0487	\$0.6691	\$54,533
Next 33,000	0	0	0		\$0.1857	\$0.0500	\$0.0487	\$0.2844	\$0
Over 60,000	<u>0</u>	<u>o</u>	<u>0</u>		\$0.0000	\$0.0000	\$0.0487	\$0.0487	\$0
DTs - Summer	770,624	0	770,624						

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Interruptible Service - Sales	204								
Bills	163			163				\$ 250.00	\$40,750
First 1,500	87,838	0	87,838		\$1.8569	\$1.6510	\$2.7987	\$6.3066	\$553,959
Next 1,500	57,325	0	57,325		\$1.2998	\$1.4420	\$2.7987	\$5.5405	\$317,609
Next 7,500	76,511	0	76,511		\$0.9285	\$1.2483	\$2.7987	\$4.9755	\$380,680
Next 16,500	20,413	0	20,413		\$0.5571	\$1.8187	\$2.7987	\$5.1745	\$105,627
Next 33,000	0	0	0		\$0.1857	\$1.0844	\$2.7987	\$4.0688	\$0
Over 60,000	<u>0</u>	0	<u>0</u>		\$0.0000	\$0.4000	\$2.7987	\$3.1987	\$0
DTs - Winter	242,087	0	242,087						
First 1,500	115,188	0	115,188		\$1.1141	\$0.8145	\$2.7987	\$4.7273	\$544,528
Next 1,500	81,860	0	81,860		\$0.7428	\$0.6864	\$2.7987	\$4.2279	\$346,096
Next 7,500	72,997	0	72,997		\$0.5571	\$0.6009	\$2.7987	\$3.9567	\$288,827
Next 16,500	12,347	0	12,347		\$0.3714	\$0.6110	\$2.7987	\$3.7811	\$46,685
Next 33,000	0	0	0		\$0.1857	\$0.2000	\$2.7987	\$3.1844	\$0
Over 60,000	<u>o</u>	<u>o</u>	<u>0</u>		\$0.0000	\$0.1000	\$2.7987	\$2.8987	\$0
DTs - Summer	282,392	0	282,392						
Interruptible Service - Trans									
Bills	628			628				\$ 250.00	\$157,000
First 1,500	395,297	0	395,297		\$1.8569	\$0.5434	\$0.0487	\$2.4490	\$968,082
Next 1,500	348,809	0	348,809		\$1.2998	\$0,4310	\$0.0487	\$1.7795	\$620,706
Next 7,500	757,487	0	757,487		\$0.9285	\$0.3176	\$0.0487	\$1.2948	\$980,794
Next 16,500	456,606	0	456,606		\$0.5571	\$0.2072	\$0.0487	\$0.8130	\$371,221
Next 33,000	139,855	0	139,855		\$0.1857	\$0.1090	\$0.0487	\$0.3434	\$48,026
Over 60,000	<u>0</u>	Ō	<u>0</u>		\$0.0000	\$0.0000	\$0.0487	\$0.0487	\$0
DTs - Winter	2,098,054	0	2,098,054						
First 1,500	526,794	0	526,794		\$1.1141	\$0.5754	\$0.0487	\$1.7382	\$915,673
Next 1,500	414,414	0	414,414		\$0.7428	\$0.4551	\$0.0487	\$1.2466	\$516,608
Next 7,500	837,219	0	837,219		\$0.5571	\$0.3367	\$0.0487	\$0.9425	\$789,079
Next 16,500	394,627	0	394,627		\$0.3714	\$0.2171	\$0.0487	\$0.6372	\$251,456
Next 33,000	98,874	0	98,874		\$0.1857	\$0.2533	\$0.0487	\$0.4877	\$48,221
Over 60,000	<u>0</u>	<u>0</u>	<u>0</u>		\$0.0000	\$0.0000	\$0.0487	\$0.0487	\$0
DTs - Summer	2,271,928	0	2,271,928						
<u>то</u>	TAL INDUSTRIAL								
Bills	1,331			1,331					
Demand	105,019			105,019					
DTs	6,565,205	0	6,565,205						640 600 400
	- 								\$12,690,483
Outdoor Gaslight Service - F									
Fixtures	37	0	37		\$ 15.00			\$ 15.00	\$555
DTs - Winter	16	0	16						
DTs - Summer	22	0	22						
Annual Revenues From Spec	cial Contracts								\$ 1,847,761
TO	TAL ALL RATE SCH	EDULES							
				4 500 570					
TOTAL BILLS	1,582,576			1,582,576					
TOTAL WINTER DTs	10,400,356	985,516	11,385,872						
TOTAL SUMMER DTs	6,823,828	346,994	7,170,822						
ANNUAL TOTAL DTs	17,224,184	1,332,510	18,556,694					REVENUE	\$ 122,661,283
TOTAL CALES DT-	44 497 775	1 222 540	12,770,285						
TOTAL SALES DTs	11,437,775	1,332,510 0	12,770,285 5,786,409						
TRANSPORTATION DTs	<u>5,786,409</u> 17,224,184	1,332,510	18,556,694						
ANNUAL TOTAL DTs	17,224,104	1,332,310	10,000,004						

^{*} The rates convert 1.26 therms to 1 GGE.